

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

ILLINOIS *WPM*
COMMERCE COMMISSION

2008 JAN 14 P 1:07
CHIEF CLERK'S OFFICE

COMMONWEALTH EDISON COMPANY :

Application of COMMONWEALTH EDISON COMPANY, :
For a Certificate of Public Convenience and Necessity, :
Pursuant to Section 8-406 of the Illinois Public Utilities Act, :
To construct, operate and maintain a new 138,000-volt :
electric transmission line in Kane and McHenry Counties, :
Illinois. :

No. 07-0310

REBUTTAL TESTIMONY OF BRIAN WALSH

On Behalf of

IndyMac Bank, F.S.B.

January 11, 2008

REBUTTAL TESTIMONY OF BRIAN WALSH

1. Q. Please state your name and business address.

A. My name is Brian Walsh, my business address is 233 S. Wacker Drive, Suite 4620, Chicago, Illinois 60606.

2. Q. Please state your occupation.

A. I am the Regional Manager, IndyMac Bank, FSB, for the Northeast Region, including for the Chicago Metropolitan area.

3. Q. Please state your educational background and experience.

A. I have a B.A. in Economics from Northwestern University and a M.B.A. from the University of Michigan. I have 20 years of experience in the banking industry, including serving as Regional Manager for IndyMac Bank's Northeast Region during the last one-and-a-half-years.

4. Q. What is IndyMac Bank's interest in the Gilbert's Conservancy Property (the "Property")?

A. IndyMac Bank holds a first mortgage of \$100 million on the Property securing a loan to Neumann Homes, Inc.

6. Q. How much has IndyMac Bank invested to date?

A. Based on information provided to IndyMac Bank by Neumann Homes, Inc.'s counsel, we believe that as of January 10, 2008, Neumann Homes has expended on the Property approximately \$27,350,000 in costs paid and payable.

7. Q. What has physically been done so far at the Property?

A. Based on my own personal knowledge and inspection of the Property, and on information provided to IndyMac Bank by Neumann Homes, Inc.'s counsel, we believe that as of January 10, 2008, Neumann Homes has performed significant physical work on the Property. This includes the construction of a school, the construction of a water tower, the laying of sanitary sewers, mass earth work for further construction, the building of several model homes and the laying of the foundation of a permanent home, the building

1 of an entrance and laying of a couple hundred yards of road, drainage work, street scape
2 work, landscaping work, and related development work.

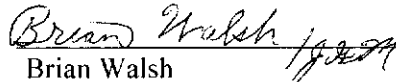
3 8. Q. What is IndyMac Bank's plan for the Property going forward, i.e., will the Property be
4 developed or abandoned?

5 A. IndyMac Bank plans that the Property will be sold to a real estate development company,
6 possibly pursuant to a Section 363 sale under the United States Bankruptcy Code.

7 9. Q. What impact will the proposed Huntley Modified Freeman-Galligan Power Line Route
8 have on IndyMac Bank's interest in the Property?

9 A. The proposed power line route will significantly reduce the value of IndyMac Bank's
10 collateral and force a prospective purchaser to spend millions of dollars to modify already
11 existing development and infrastructure work completed by Neumann Homes on the
12 Property.

Date: January 11, 2008


Brian Walsh
IndyMac Bank, F.S.B.
Regional Manager, Northeast Region
233 S. Wacker Drive – Ste. 4620
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PROOF OF SERVICE

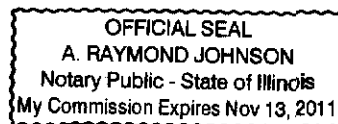
STATE OF ILLINOIS :
:SS
COUNTY OF MADISON :

I, James Martignon, being an attorney admitted to practice in the State of Illinois and one of the attorneys for IndyMac Bank, F.S.B. herewith certify that I did on the 11th day of January, 2008, file by Federal Express with the Illinois Commerce Commission the Rebuttal Testimony of Brian Walsh, and served same on the person identified on the Commission's official service list by electronic mail or U.S. Mail on this same date.


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SUBSCRIBED AND SWORN TO before me, a Notary Public, on this 11th day of January, 2008.


Notary Public



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